

ARKANSAS FISCAL NOTES



VOLUME XVI No. 6

DECEMBER 2002

GENERAL REVENUE SUMMARY

Provides narrative summaries of general revenues 1-3

TABLES A & B

Monthly and Year-To-Date General Revenue Collections, and Forecast Evaluation 4-5

TABLE C

Official General Revenue Forecast for 2003-2005 Biennium..... 6

TABLE D

General Revenue History, Economic Assumptions, Fiscal Indicators
for FY 2000-2005 7-8

ECONOMIC NOTES

Economic Indicators for the State and the Nation 9-13

FY 03 OFFICIAL FORECAST FOR GENERAL REVENUE DISTRIBUTIONS

General Revenue Budget and Allocations 14-17

Educational Excellence 18

OTHER FINANCIAL INFORMATION 19

SPECIAL REVENUES

December..... 20

REVENUE DIVISION REPORT OF GROSS COLLECTIONS

General, Special, and Trust Revenues Collected by Revenue Division 21-28

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Vol. XVI No. 6

Arkansas Fiscal Notes

December 2002

GENERAL REVENUE SUMMARY: December FY 2003

FY 03 Gross General Revenues totaled \$1,881.5 million, an increase of \$70.8 million or 3.9 percent over last year. With respect to the official general revenue forecast of June 6, 2002 (96.06% of A allocation) year-to-date gross general revenues were \$44.3 million or 2.4 percent above forecast (see Table B).

FY 03 Net Available Revenues totaled \$1,617.4 million, \$81.9 million or 5.3 percent above last year. Compared to the June 6, 2002 forecast, collections were \$47.5 million or 3.0 percent above forecast.

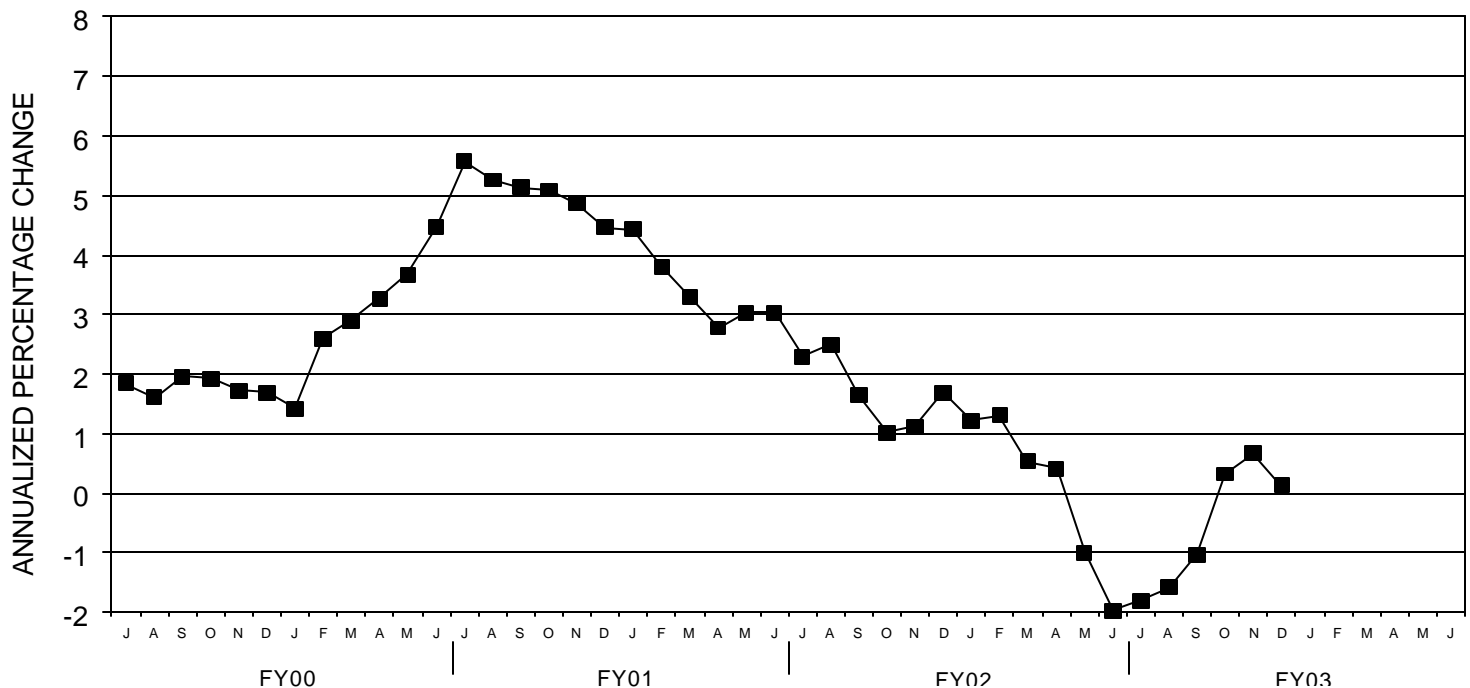
FY 03 Refunds totaled \$63.2 million, \$12.1 million or 16.1 percent below FY 02 and \$2.7 million or 4.1 percent below forecast.

FY 03 Individual Income Tax Collections totaled \$809.2 million, an increase of \$30.1 million or 3.9 percent above last year and \$27.0 million or 3.4 percent above forecast.

FY 03 General Corporate Income Tax Collections totaled \$91.8 million, an increase of \$22.4 million or 32.3 percent above FY 02 and \$24.1 million or 35.6 percent above forecast.

Overview: Net General Revenue Growth. Net general revenues are defined as gross revenues less individual and corporate income tax refunds. For the twelve-month period ending in December, net general revenues totaled \$3,692.7 million and increased at an annual rate of 0.1 percent. One year ago, the net general revenues grew by 1.7 percent.

**ANNUALIZED RATE OF GROWTH IN
NET GENERAL REVENUES**



December Gross General Revenues totaled \$312.5 million, an increase of \$4.4 million or 1.4 percent compared to last year. With respect to the official general revenue forecast of June 6, 2002 (96.06% of A allocation) gross general revenues were \$1.9 million or 0.6 percent below forecast (see Table A).

December Net Available General Revenues totaled \$269.6 million, \$2.7 million or 1.0 percent above last year but \$4.4 million or 1.6 percent below forecast.

Refunds: Individual and Corporate. December refunds totaled \$9.8 million, \$2.9 million or 42.4 percent above last year. With respect to the fiscal year's forecast, refunds were \$2.4 million or 32.8 percent above forecast.

December Individual Income Tax Collections. December collections totaled \$145.1 million, an increase of \$10.7 million or 8.0 percent compared to December 2001 and \$8.9 million or 6.5 percent above forecast. For the twelve-month period ending December 2002, net individual income taxes totaled \$1,544.5 million and declined at an annual rate of 2.2 percent.

General and Special Revenue Corporate Income Tax Collections. December general revenue collections totaled \$12.8 million, a decrease of \$5.9 million or 31.4 percent below December 2001 and \$4.1 million or 24.3 percent below forecast. For the twelve-month period ending in December, general and special corporate income taxes totaled \$253.7 million. These collections are increasing at an annual rate of 12.6 percent. One year ago, corporate income taxes were decreasing at an annual rate of 16.6 percent.

Special Corporate Income Taxes. Each month \$1.0 million (\$12.0 million total in FY 2003) in corporate income tax collections goes to *special* revenues. These revenues are not included in *general* revenue totals. They are allocated to the WorkForce 2000 Fund, which provides for the upgrading of the post-secondary technical colleges of the state.

Special Revenue #1: Conservation Fund, Act 156 of 1997 levied a one-eighth of one-cent increase in the sales and use tax rate. The state **general** sales and use tax rate is 4.5%. Act 156 (1997), the Conservation Fund Act, added 1/8% (or .125) to the state sales and use tax rate but as a **special** revenue effective July 1, 1997. After deductions, the remaining money is distributed to the Game Protection Fund (45%), the Department of Parks and Tourism (45%), Arkansas Department of Heritage (9%), and the Keep Arkansas Beautiful Fund (1%). Through December 2002, \$24.2 million was collected. Through December 2001, \$23.7 million was collected.

Special Revenue #2: Property Tax Relief Fund, Acts 1-2 of 2000, 2nd Extraordinary Session of 82nd General Assembly levied a 0.5% increase in the sales and use tax rate effective January 1, 2001. This increase is special revenue dedicated to reimbursing Arkansas counties for the cost of homestead property tax credits created by Amendment 79 to the Arkansas Constitution. Through December 2002, \$95.7 million was collected compared to \$93.8 million through December 2001.

Sales Taxes. December collections are estimated at \$124.4 million, \$2.5 million or 2.0 percent below last year and \$5.5 million or 4.2 percent below forecast. On an annualized basis, sales tax collections grew at an annual rate of 1.9 percent, down from 2.2 percent in November. One year ago, the growth rate was 3.0 percent.

Use Taxes. December collections are estimated at \$18.2 million, \$1.2 million or 7.2 percent above December 2001 but \$2.0 million or 9.9 percent below forecast. On an annualized basis, use taxes decreased at an annual rate of 2.0 percent, up from a 3.0 percent decrease last month. One year ago, collections were decreasing at an annual rate of 1.8 percent.

Use tax collections are dominated by business spending. While equipment used directly in manufacturing is exempt from the sales and use tax, business expenditures on office equipment & furniture, office computers, construction equipment (e.g., earth-moving equipment), refrigeration units, mining equipment, vehicles, and fork-lifts bought or leased from out-of-state vendors are subject to the compensating use tax.

Estimates for Sales & Use Tax. Within each month's issue of *Arkansas Fiscal Notes*, sales and use tax totals for the month are estimates. The actual figures will be published in the following month's issue. The following is a table reflecting the last three months of sales and use tax collections.

Month	Sales (in millions)	Use (in millions)
October 2002	125.185	18.789
November 2002	116.389	20.426
December 2002 est.	124.380	18.200

Medicaid Program Trust Fund (Soft Drink Tax). December collections totaled \$3.1 million, the same amount collected in December 2001.

TABLE A: GENERAL REVENUES FOR MONTH OF DECEMBER, 2002

	ACTUAL DECEMBER 2002	FORECAST DECEMBER 2002	ACTUAL DECEMBER 2001	CHANGE FROM:			
				FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$145,089,362	\$136,200,000	\$134,354,432	\$8,889,362	6.5	\$10,734,929	8.0
CORPORATE INCOME	12,788,968	16,900,000	18,652,669	(4,111,032)	(24.3)	(5,863,701)	(31.4)
SALES	124,380,000 e	129,900,000	126,924,683	(5,520,000)	(4.2)	(2,544,683)	(2.0)
USE	18,200,000 e	20,200,000	16,975,908	(2,000,000)	(9.9)	1,224,092	7.2
ALCOHOLIC BEVERAGE	2,482,497 e	2,600,000	2,524,378	(117,503)	(4.5)	(41,881)	(1.7)
TOBACCO	7,342,004	6,400,000	6,591,029	942,004	14.7	750,975	11.4
INSURANCE PREMIUM	481,016	400,000	360,519	81,016	20.3	120,496	33.4
RACING	182,155	200,000	212,607	(17,845)	(8.9)	(30,451)	(14.3)
SEVERANCE	553,383	400,000	372,826	153,383	38.3	180,556	48.4
CORPORATE FRANCHISE	86,122	300,000	309,926	(213,878)	(71.3)	(223,804)	(72.2)
ESTATE	0	0	0	0	0.0	0	0.0
REAL ESTATE TRANSFER	0	0	0	0	0.0	0	0.0
MISCELLANEOUS	920,045	900,000	849,811	20,045	2.2	70,234	8.3
GROSS REVENUES	\$312,505,551	\$314,400,000	\$308,128,790	(\$1,894,449)	(0.6)	\$4,376,761	1.4
LESS:							
SCSF/COF	9,375,167	9,432,000	9,243,864	(56,833)	(0.6)	131,303	1.4
REFUNDS	9,830,129	7,400,000	6,901,384	2,430,129	32.8	2,928,745	42.4
CLAIMS	0	0	0	0	0.0	0	0.0
ECON DEVEL INCEN FUND	1,252,652	900,000	2,625,402	352,652	39.2	(1,372,750)	(52.3)
WTR/SWR/CLGE BONDS	445,000	500,000	475,000	(55,000)	(11.0)	(30,000)	(6.3)
MLA CITY/CO.	0	0	0	0	0.0	0	0.0
DESEG SETTLEMENT	2,700,000	2,700,000	2,700,000	0	0.0	0	0.0
EDUCATIONAL EXCELLENCE	19,118,617	19,300,000	19,056,831	(181,384)	(0.9)	61,786	0.3
ELDERLY TRANSPORTATION	181,418	200,000	177,464	(18,582)	(9.3)	3,954	2.2
ALLOTMENT RESERVE	0	0	0	0	0.0	0	0.0
NET AVAILABLE	\$269,602,569	\$273,968,000	\$266,948,845	(\$4,365,431)	(1.6)	\$2,653,724	1.0

e Denotes Estimate

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A.
NET AVAILABLE ESTIMATE: JUNE 6, 2002, (96.06% OF A).

TABLE B: YEAR-TO-DATE GENERAL REVENUES

	ACTUAL YTD DECEMBER 2002	FORECAST YTD DECEMBER 2002	ACTUAL YTD DECEMBER 2001	CHANGE FROM:			
				FORECAST		LAST YEAR	
				\$	%	\$	%
INDIVIDUAL INCOME	\$809,181,592	\$782,200,000	\$779,123,184	\$26,981,592	3.4	\$30,058,408	3.9
CORPORATE INCOME	91,785,807	67,700,000	69,394,977	24,085,807	35.6	22,390,830	32.3
SALES	747,583,177 e	755,300,000	726,588,357	(7,716,823)	(1.0)	20,994,820	2.9
USE	114,124,511 e	120,000,000	120,573,593	(5,875,489)	(4.9)	(6,449,081)	(5.3)
ALCOHOLIC BEVERAGE	15,975,642 e	16,600,000	15,814,643	(624,358)	(3.8)	160,999	1.0
TOBACCO	45,811,646	41,900,000	41,011,458	3,911,646	9.3	4,800,187	11.7
INSURANCE PREMIUM	43,610,005	39,300,000	38,843,540	4,310,005	11.0	4,766,466	12.3
RACING	1,695,141	1,900,000	1,913,056	(204,859)	(10.8)	(217,916)	(11.4)
SEVERANCE	3,774,440	3,500,000	3,530,176	274,440	7.8	244,264	6.9
CORPORATE FRANCHISE	1,450,330	1,700,000	1,872,705	(249,670)	(14.7)	(422,375)	(22.6)
ESTATE	0	0	5,281,999	0	0.0	(5,281,999)	(100.0)
REAL ESTATE TRANSFER	2,604,846	2,600,000	2,602,820	4,846	0.2	2,026	0.1
MISCELLANEOUS	3,855,411	4,500,000	4,058,088	(644,589)	(14.3)	(202,676)	(5.0)
GROSS REVENUES	\$1,881,452,548	\$1,837,200,000	\$1,810,608,595	\$44,252,548	2.4	\$70,843,953	3.9
LESS:							
SCSF/COF	56,443,576	55,116,000	53,910,002	1,327,576	2.4	2,533,574	4.7
REFUNDS	63,199,633	65,900,000	75,293,925	(2,700,367)	(4.1)	(12,094,292)	(16.1)
CLAIMS	0	0	0	0	0.0	0	0.0
ECON DEVEL INCEN FUND	4,750,381	4,900,000	6,368,166	(149,619)	(3.1)	(1,617,785)	(25.4)
WTR/SWR/CLGE BONDS	3,332,605	4,640,000	3,513,213	(1,307,395)	(28.2)	(180,608)	(5.1)
MLA CITY/CO.	4,026,877	4,140,000	4,112,861	(113,123)	(2.7)	(85,984)	(2.1)
DESEG SETTLEMENT	16,400,000	16,400,000	16,400,000	0	0.0	0	0.0
EDUCATIONAL EXCELLENCE	114,711,699	115,300,000	114,461,253	(588,301)	(0.5)	250,446	0.2
ELDERLY TRANSPORTATION	1,162,290	900,000	1,054,717	262,290	29.1	107,573	10.2
ALLOTMENT RESERVE	0	0	0	0	0.0	0	0.0
NET AVAILABLE	\$1,617,425,487	\$1,569,904,000	\$1,535,494,459	\$47,521,487	3.0	\$81,931,028	5.3

e Denotes Estimate

PREPARED BY THE OFFICE OF ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A.
NET AVAILABLE ESTIMATE: JUNE 6, 2002 (96.06% OF A).

TABLE C
OFFICIAL GENERAL REVENUE FORECAST
2003-2005 BIENNIUM

Millions of Dollars	06/06/02 Estimate	FY 03 Increase	% CH	11/14/02 Estimate	FY 04 Increase	% CH	11/14/02 Estimate	FY 05 Increase	% CH
INDIVIDUAL INCOME	1,827.9	37.5	2.1	1,923.0	95.1	5.2	2,011.0	88.0	4.6
CORPORATE INCOME	210.6	-7.8	-3.6	225.2	14.5	6.9	236.5	11.3	5.0
SALES TAX	1,519.4	67.0	4.6	1,563.0	43.6	2.9	1,605.0	42.0	2.7
USE TAX	250.0	20.6	9.0	258.0	8.0	3.2	266.0	8.0	3.1
ALCOHOLIC BEVERAGE	33.7	1.5	4.7	34.0	0.3	0.9	34.4	0.4	1.2
TOBACCO	87.0	-0.3	-0.3	85.5	-1.5	-1.7	83.9	-1.6	-1.9
INSURANCE	79.3	-0.2	-0.3	82.0	2.7	3.4	85.0	3.0	3.7
RACING	4.2	0.1	2.4	3.9	-0.3	-7.1	3.8	-0.1	-2.6
SEVERANCE	6.6	0.0	0.2	6.1	-0.5	-7.6	5.9	-0.2	-3.3
CORPORATE FRANCHISE	8.0	-0.5	-6.1	8.0	0.0	0.0	7.9	-0.1	-1.3
ESTATE	15.0	-4.9	-24.5	11.9	-3.1	-20.7	7.8	-4.1	-34.5
REAL ESTATE TRANSFER	2.6	0.0	0.0	2.6	0.0	0.0	2.6	0.0	0.0
MISCELLANEOUS	19.0	6.9	56.9	18.0	-1.0	-5.3	16.9	-1.1	-6.1
TOTAL GROSS	4,063.3	119.9	3.0	4,221.2	157.8	3.9	4,366.7	145.5	3.4
LESS:MCF (SCS/COF)	121.9	4.0	3.4	126.6	4.7	3.9	131.0	4.4	3.4
INDIVIDUAL REFUNDS/MOA	252.0	-26.4	-9.5	276.0	24.0	9.5	288.0	12.0	4.3
CORPORATE REFUNDS	48.0	-7.3	-13.2	52.0	4.0	8.3	57.0	5.0	9.6
CLAIMS RESERVE	10.0	10.0	N.A.	10.0	0.0	0.0	10.0	0.0	0.0
ECON DEVEL INCENTIVE FUND	10.3	1.8	21.1	12.8	2.5	23.8	15.8	3.0	23.4
WATER & SEWER BONDS	5.6	0.7	13.2	4.9	-0.7	-13.1	5.6	0.7	14.3
COLL SVNGS BOND DEBT SRV	24.0	0.1	0.4	24.0	0.0	0.0	24.0	0.0	0.0
MLA CITY/CO TOURIST	8.1	-0.1	-1.0	8.2	0.1	0.7	8.1	-0.1	-1.2
EDUC EXCEL TRUST FUND	230.7	1.9	0.8	241.2	10.4	4.5	248.3	7.1	2.9
DESEGREGATION	32.8	0.0	0.1	32.8	0.0	-0.1	32.8	0.0	0.0
ELDERLY TRANSPORTATION	2.2	0.0	0.0	2.3	0.1	4.5	2.3	0.0	0.0
ALLOTMENT RESERVE	---	---	--	---	--	--	---	--	--
NET AVAILABLE	3,317.5	135.2	4.2	3,430.3	112.8	3.4	3,543.8	113.5	3.3

PREPARED BY ECONOMIC ANALYSIS AND TAX RESEARCH, DF&A
OFFICIAL NET AVAILABLE ESTIMATE, JUNE 6, 2002 (FY 2003): (96.06% of A)

TABLE D
ECONOMIC ASSUMPTIONS AND THE
OFFICIAL GENERAL REVENUE FORECAST
2003-2005 BIENNIUM

Millions of Dollars	FY-00			FY-01			FY-02		
	Actual	Increase	% CH	Actual	Increase	% CH	Actual	Increase	% CH
INDIVIDUAL INCOME TAX	1712.4	47.2	2.8	1804.7	92.3	5.4	1790.4	(14.2)	(0.8)
INDIVIDUAL REFUNDS/MOA	<u>247.4</u>	<u>16.0</u>	<u>6.9</u>	<u>249.1</u>	<u>1.8</u>	<u>0.7</u>	<u>278.4</u>	<u>29.2</u>	<u>11.7</u>
NET INDIVIDUAL INCOME	1,465.0	31.2	2.2	1,555.5	90.5	6.2	1,512.1	(43.4)	(2.8)
CORPORATE INCOME	253.2	(1.0)	(0.4)	234.5	(18.7)	(7.4)	218.5	(16.0)	(6.8)
CORPORATE REFUNDS	<u>31.7</u>	<u>(10.3)</u>	<u>(24.4)</u>	<u>48.2</u>	<u>16.5</u>	<u>51.8</u>	<u>55.3</u>	<u>7.1</u>	<u>14.7</u>
NET CORPORATE INCOME	221.4	9.2	4.4	186.3	(35.2)	(15.9)	163.2	(23.1)	(12.4)
SALES TAX	1401.4	83.1	6.3	1447.7	46.3	3.3	1452.4	4.7	0.3
USE TAX	231.0	<u>17.2</u>	<u>8.0</u>	<u>230.1</u>	<u>(0.9)</u>	<u>(0.4)</u>	<u>229.4</u>	<u>(0.7)</u>	<u>(0.3)</u>
NET ECONOMIC TAX REVENUE	3,318.8	140.7	4.4	3,419.5	100.7	3.0	3,357.0	(62.5)	(1.8)
OTHER TAX REVENUE	<u>253.5</u>	<u>12.6</u>	<u>5.2</u>	<u>261.4</u>	<u>7.9</u>	<u>3.1</u>	<u>252.7</u>	<u>(8.6)</u>	<u>(3.3)</u>
GROSS GENERAL REVENUES	3,851.4	159.0	4.3	3,978.2	126.8	3.3	3,943.4	(34.8)	(0.9)
LESS: MCF	115.5	4.8	4.3	119.4	3.8	3.3	117.9	(1.4)	(1.2)
INDIVIDUAL REFUNDS/MOA	247.4	16.0	6.9	249.1	1.8	0.7	278.4	29.2	11.7
CORPORATE REFUNDS	31.7	(10.3)	(24.4)	48.2	16.5	51.8	55.3	7.1	14.7
CLAIMS	0.0	0.0	N.A.	0.0	0.0	N.A.	0.0	0.0	N.A.
ECON DEVEL INCENTIVE FUND	2.6	0.8	45.5	4.7	2.1	82.5	8.5	3.8	81.9
WATER/SEWER BONDS	4.6	(1.0)	(17.4)	5.5	0.9	20.0	5.0	(0.6)	(9.9)
MLA CITY/CO TOURIST	7.0	1.9	37.1	9.2	2.2	31.3	8.2	(0.9)	(10.3)
DESEGREGATION SETTLEMENT	31.0	2.9	10.3	32.8	1.8	5.8	32.8	0.0	0.0
EDUC EXCELLENCE TRUST FUND	210.1	17.6	9.2	223.9	13.7	6.5	228.8	4.9	2.2
ELDERLY TRANSPORTATION	2.4	(0.1)	(2.8)	2.5	0.1	3.8	2.2	(0.3)	(13.1)
COLL SVNGS BOND DEBT SRV.	22.4	(0.8)	(3.5)	24.0	1.6	7.0	23.9	(0.1)	(0.3)
ALLOTMENT RESERVE	---	---	---	---	---	---	---	---	---
NET AVAILABLE REVENUES	3,176.6	167.3	5.6	3,258.9	82.4	2.6	3,182.4	(76.6)	(2.3)
ECONOMIC ASSUMPTIONS									
	FY 2000			FY 2001			FY 2002		
U.S. NOMINAL GDP (Billions \$)	9,576.0	560.0	6.2	9,977.0	401.0	4.2	10,235.0	258.0	2.6
GDP DEFLATOR (1996 = 100)	105.7	1.8	1.7	108.2	2.5	2.3	110.1	1.9	1.7
GDP (1996\$ CHAIN WEIGHT)	9,058.0	382.0	4.4	9,221.0	163.0	1.8	9,298.0	77.0	0.8
CONSUMER PRICE INDEX (1984=100)	169.3	4.7	2.9	175.1	5.8	3.4	178.2	3.1	1.8
NET GENERAL REVENUE (Millions \$)	3,572.3	153.3	4.5	3,680.9	108.6	3.0	3,609.8	(71.1)	(1.9)
AR. STATE PERSONAL INCOME (M\$)	57,340	2,344	4.3	60,290	2,950	5.1	62,552	2,262	3.8
NGR % of ASPI	6.230	0.0	0.2	6.105	(0.1)	(2.0)	5.771	(0.3)	(5.5)
AR. W & S DISBURSEMENTS (M\$)	30,801	1,690	5.8	32,082	1,281	4.2	32,909	827	2.6
AR. NON-FARM PROPRIETOR'S INC (M\$)	4,038.0	245.0	6.5	4,154.8	116.8	2.9	4,362.0	207.2	5.0
AR. FARM INCOME (\$)	1,568.3	(187.5)	(10.7)	1,640.0	71.7	4.6	1,886.4	246.4	15.0
AR. TAXABLE SALES (B\$)	36.27	2.2	6.5	37.28	1.0	2.8	37.37	0.1	0.2
AR. W & S EMPLOYMENT	1,153,200	22,100	2.0	1,159,300	6,100	0.5	1,153,000	(6,300)	(0.5)
AR. MANUFACTURING EMPLOYMENT	252,430	70	0.0	247,700	(4,730)	(1.9)	233,330	(14,370)	(5.8)
AR. POPULATION	2,662,600	23,500	0.9	2,683,200	20,600	0.8	2,702,900	19,700	0.7
AR PER CAPITA INCOME	21,534.0	696	3.3	22,469.0	935	4.3	23,142.0	673	3.0
DIVIDENDS, INTEREST, AND RENT	10,318.0	270	2.7	11,087.0	769	7.5	11,144.0	57	0.5

TABLE D
ECONOMIC ASSUMPTIONS AND THE
OFFICIAL GENERAL REVENUE FORECAST
2003-2005 BIENNIUM

Millions of Dollars	06/06/02	FY-03		11/14/02	FY-04		11/14/02	FY-05	
	Estimate	Increase	% CH	Estimate	Increase	% CH	Estimate	Increase	% CH
INDIVIDUAL INCOME TAX	1827.9	37.5	2.1	1923.0	95.1	5.2	2011.0	88.0	4.6
INDIVIDUAL REFUNDS/MOA	<u>252.0</u>	<u>(26.4)</u>	<u>(9.5)</u>	<u>276.0</u>	<u>24.0</u>	<u>9.5</u>	<u>288.0</u>	<u>12.0</u>	<u>4.3</u>
NET INDIVIDUAL INCOME	1,575.9	63.8	4.2	1,647.0	71.1	4.5	1,723.0	76.0	4.6
CORPORATE INCOME	210.6	(7.8)	(3.6)	225.2	14.5	6.9	236.5	11.3	5.0
CORPORATE REFUNDS	<u>48.0</u>	<u>(7.3)</u>	<u>(13.2)</u>	<u>52.0</u>	<u>4.0</u>	<u>8.3</u>	<u>57.0</u>	<u>5.0</u>	<u>9.6</u>
NET CORPORATE INCOME	162.6	(0.5)	(0.3)	173.2	10.5	6.5	179.5	6.3	3.6
SALES TAX	1519.4	67.0	4.6	1563.0	43.6	2.9	1605.0	42.0	2.7
USE TAX	<u>250.0</u>	<u>20.6</u>	<u>9.0</u>	<u>258.0</u>	<u>8.0</u>	<u>3.2</u>	<u>266.0</u>	<u>8.0</u>	<u>3.1</u>
NET ECONOMIC TAX REVENUE	3,507.9	150.9	4.5	3,641.2	133.2	3.8	3,773.5	132.3	3.6
OTHER TAX REVENUE	<u>255.4</u>	<u>2.7</u>	<u>1.0</u>	<u>252.0</u>	<u>(3.4)</u>	<u>(1.3)</u>	<u>248.2</u>	<u>(3.8)</u>	<u>(1.5)</u>
GROSS GENERAL REVENUES	4,063.3	119.9	3.0	4,221.2	157.8	3.9	4,366.7	145.5	3.4
LESS: MCF	121.9	4.0	3.4	126.6	4.7	3.9	131.0	4.4	3.4
INDIVIDUAL REFUNDS/MOA	252.0	(26.4)	(9.5)	276.0	24.0	9.5	288.0	12.0	4.3
CORPORATE REFUNDS	48.0	(7.3)	(13.2)	52.0	4.0	8.3	57.0	5.0	9.6
CLAIMS	10.0	10.0	N.A.	10.0	0.0	0.0	10.0	0.0	0.0
ECON DEVEL INCENTIVE FUND	10.3	1.8	21.1	12.8	2.5	23.8	15.8	3.0	23.4
WATER/SEWER BONDS	5.6	0.7	13.2	4.9	(0.7)	(13.1)	5.6	0.7	14.3
MLA CITY/CO TOURIST	8.1	(0.1)	(1.0)	8.2	0.1	0.7	8.1	(0.1)	(1.2)
DESEGREGATION SETTLEMENT	32.8	0.0	0.1	32.8	(0.0)	(0.1)	32.8	0.0	0.0
EDUC EXCELLENCE TRUST FUND	230.7	1.9	0.8	241.2	10.4	4.5	248.3	7.1	2.9
ELDERLY TRANSPORTATION	2.2	(0.0)	(0.0)	2.3	0.1	4.5	2.3	0.0	0.0
COLL SVNGS BOND DEBT SRV.	24.0	0.1	0.4	24.0	0.0	0.0	24.0	0.0	0.0
ALLOTMENT RESERVE	---	---	---	0.0	---	---	0.0	---	---
NET AVAILABLE REVENUES	<u>3,317.5</u>	<u>135.2</u>	<u>4.2</u>	<u>3,430.3</u>	<u>112.8</u>	<u>3.4</u>	<u>3,543.8</u>	<u>113.5</u>	<u>3.3</u>
ECONOMIC ASSUMPTIONS	FY 2003 e			FY 2004 e			FY 2005 e		
U.S. NOMINAL GDP (Billions \$)	10,726.0	491.0	4.8	11,426.0	700.0	6.5	12,188.0	762.0	6.7
GDP DEFLATOR (1996 = 100)	112.3	2.2	2.0	115.3	3.0	2.7	118.6	3.3	2.9
GDP (1996\$ CHAIN WEIGHT)	9,552.0	254.0	2.7	9,907.0	355.0	3.7	10,272.0	365.0	3.7
CONSUMER PRICE INDEX (1984=100)	182.7	4.5	2.5	187.8	5.2	2.8	193.5	5.6	3.0
NET GENERAL REVENUE (Millions \$)	3,763.3	153.6	4.3	3,893.2	129.8	3.4	4,021.7	128.5	3.3
AR. STATE PERSONAL INCOME (M\$)	64,936	2,384	3.8	67,869	2,933	4.5	71,943	4,074	6.0
NGR % of ASPI	5.795	0.0	0.4	5.736	(0.1)	(1.0)	5.590	(0.1)	(2.5)
AR. W & S DISBURSEMENTS (M\$)	33,976	1,067	3.2	35,931	1,955	5.8	38,170	2,239	6.2
AR. NON-FARM PROPRIETOR'S INC (M\$)	4,617.0	255.0	5.8	4,847.6	230.6	5.0	5,062.9	215.3	4.4
AR. FARM INCOME (\$)	1,959.9	73.5	3.9	2,055.4	95.5	4.9	2,096.6	41.2	2.0
AR. TAXABLE SALES (B\$)	39.32	1.9	5.2	40.47	1.1	2.9	41.58	1.1	2.7
AR. W & S EMPLOYMENT	1,150,900	(2,100)	(0.2)	1,170,900	20,000	1.7	1,189,100	18,200	1.6
AR. MANUFACTURING EMPLOYMENT	225,390	(7,940)	(3.4)	222,970	(2,420)	(1.1)	225,870	2,900	1.3
AR. POPULATION	2,722,800	19,900	0.7	2,742,800	20,000	0.7	2,762,900	20,100	0.7
AR PER CAPITA INCOME	23,849.0	707	3.1	24,744.0	895	3.8	26,038.0	1,294	5.2
DIVIDENDS, INTEREST, AND RENT	11,274.0	130	1.2	11,443.0	169	1.5	12,404.0	961	8.4

ECONOMIC NOTES

Most Recent Estimate of GDP Growth

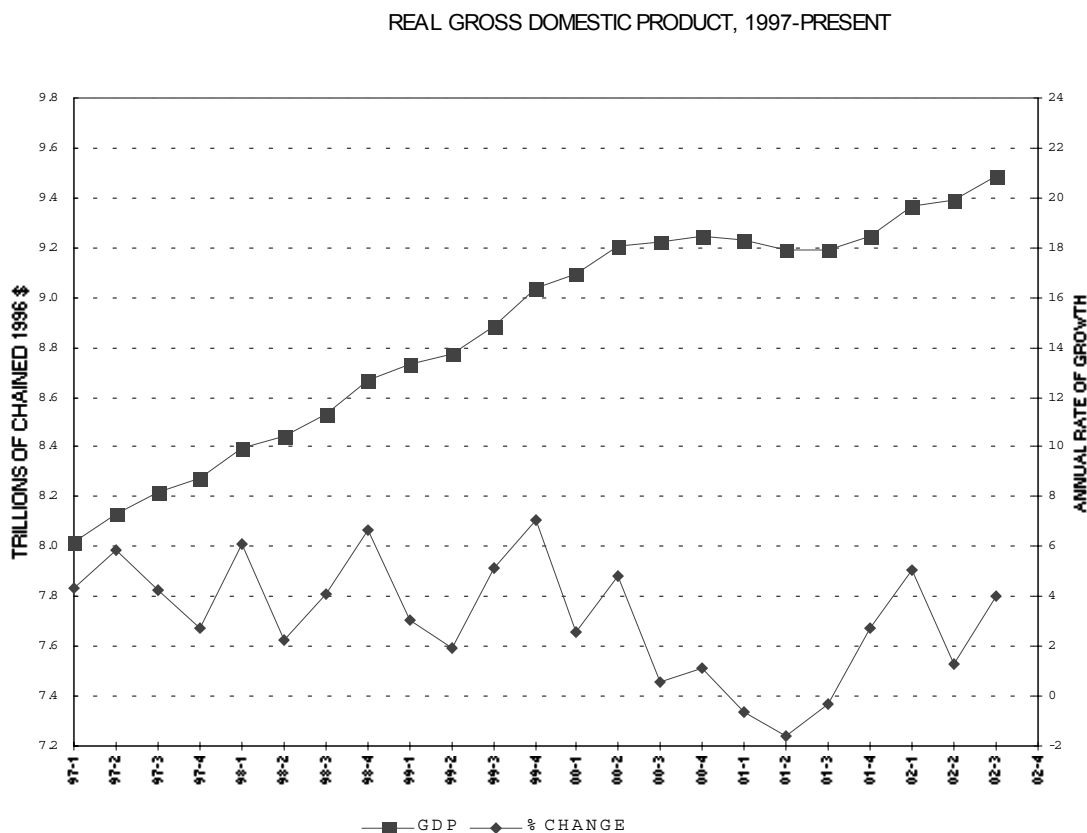
Gross Domestic Product is a measure of the nation's output of domestically produced goods and services. The Commerce Department's estimate of real GDP growth uses the new chain-weighted measure instead of the fixed-weighted measure used previously. The new calculation better reflects yearly price fluctuations.

Quarterly estimates of GDP are released on the following schedule: Advance estimates, based on preliminary and incomplete source data and BEA assumptions about the missing source data, are released in the first month after the end of the quarter; preliminary and final estimates, which incorporate additional and revised source data, are released in the second and third months, respectively.

Revisions are usually made each July to incorporate source data that are more complete, more detailed, and otherwise more appropriate than previously available.

The U.S. economy grew at a 4.0% annual rate in the third quarter of 2002 according to the Commerce Department's final estimate for GDP growth. This is an increase over the previous quarter's growth of 1.3%. In 2001, real GDP grew 0.3%. In comparison, GDP grew by 3.8% in 2000, 4.1% in 1999 and 4.3% in 1998.

Quarterly estimates of GDP since the first quarter of 1997, and the annualized growth rates implied by these estimates, are displayed in the graph below.



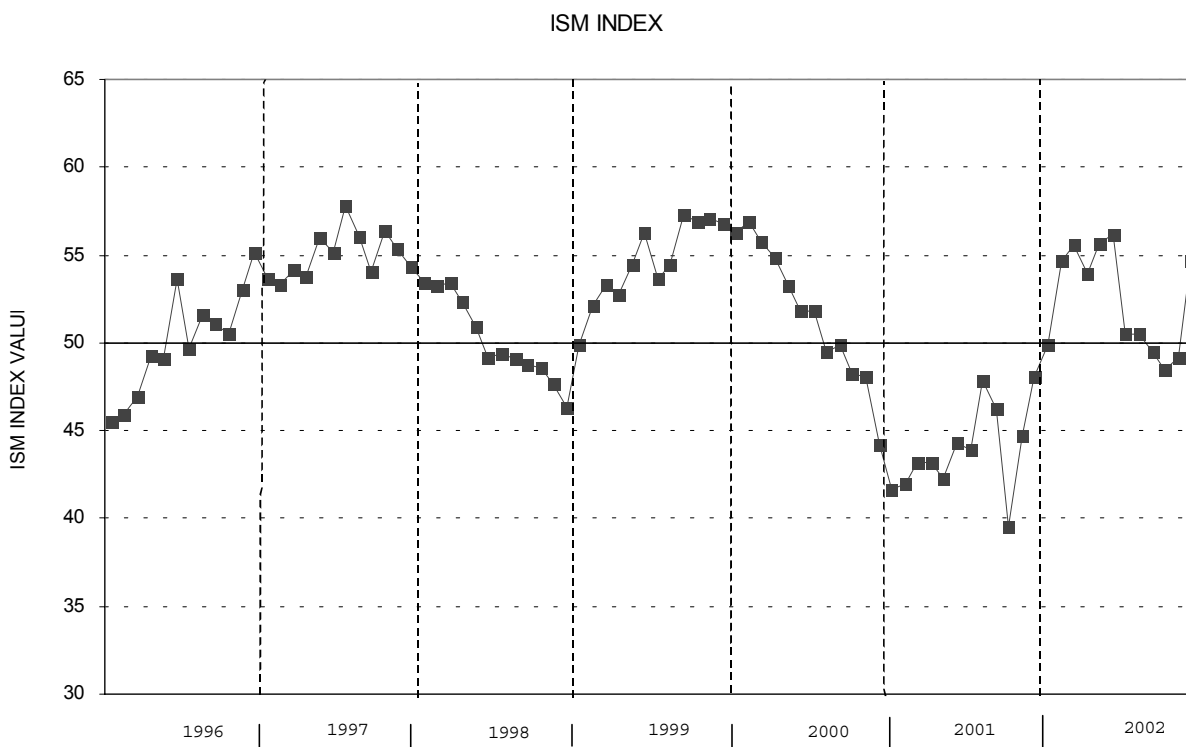
Institute for Supply Management's Purchasing Managers' Index (PMI)

The Institute for Supply Management (formerly the National Association of Purchasing Management) reported in December its first monthly increase in manufacturing activity in four months. The Purchasing Managers' Index rose to 54.7 percent. "A strong showing in New Orders drove the PMI upward, while the Production Index strengthened and helped push the PMI up by 5.5 percentage points. The question at this point is whether the manufacturing sector can continue to gather momentum during the first quarter of 2003," reported Norbert J. Ore, C.P.M., chair of the Institute for Supply Management's Manufacturing Business Survey Committee.

The 50 percent mark is generally interpreted as the dividing line between growth and contraction in the manufacturing sector. An index in excess of 42.7 percent, over a period of time, indicates that the **overall** economy is expanding and under 42.7 percent that it is declining. According to the index, the overall economy grew for the fourteenth consecutive month in December.

The Purchasing Managers' Index is based on a survey of 300 purchasing officials in a variety of manufacturing industries and gauges improvement or decline in areas such as employment, production, inventory, and new orders. In contrast to the Conference Board's Leading and Coincident Indices, which monitor broad-based economic activity, the Purchasing Managers' Index is more narrowly focussed on the manufacturing sector, a sector of particular importance to Arkansas.

The chart below tracks performance of the Purchasing Managers' Index since January 1996.



Labor Force Statistics, Arkansas and the U.S.

The U.S. Bureau of Labor Statistics reported that seasonally adjusted nonagricultural employment in the nation fell by 101,000 in December to a level of 130.7 million. This followed a decline of 88,000 the previous month. Over the year employment fell by 181,000, compared to a loss of 1.4 million in 2001. Manufacturing job losses continued to be widespread, falling by 65,000 in December. Less-than-usual holiday hiring in general merchandise and miscellaneous retail stores contributed to a decline of 104,000 jobs in retail. Services employment rose 73,000 as gains occurred in health services, help supply services, amusement/recreational services, and in hotels/lodging places. Most of the 23,000 job losses in transportation occurred in air transportation. Mortgage banking and real estate employment continued to rise. The construction sector reported essentially flat employment. The national unemployment rate in December remained at 6.0 percent.

In Arkansas, the Employment Security Department reported that nonagricultural employment (not seasonally adjusted) fell 2,400 to a level of 1,157,300 in December. Seasonal declines in lodging/amusement/recreational facilities and business services contributed to the loss of 2,500 services jobs. Employment losses in five manufacturing industries were partially offset by gains in four industries. The seasonal loss of 200 jobs in construction was concentrated in heavy construction. Government employment was unchanged. ESD also reported the State's seasonally adjusted unemployment rate rose slightly to 5.1 percent in December.

The table below shows the employment changes for the major sectors. Since December 2001, employment has increased by 2,100, or 0.2%. The largest over-the-year gain of 3,500 occurred in transportation and public utilities with trucking accounting for most of the gain. The largest percentage gain over the previous year also occurred in transportation and public utilities with 4.7 percent, followed by construction with 3.0 percent. State and local education was responsible for 71 percent of the government employment increase. A gain of 1,500 jobs in retail trade was partially offset by a loss of 600 jobs in wholesale trade. Employment in manufacturing fell by 7,600 as thirteen of fourteen industries reported losses. The largest losses were in printing-paper-publishing (-1,300) and industrial machinery (-1,200).

ARKANSAS NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT,
BY INDUSTRIAL SECTOR

	DEC. 2002	NOV. 2002	DEC. 2001	CHANGE SINCE: LAST MONTH		LAST YEAR	
				N	%	N	%
TOTAL NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (1000s)	1157.3	1159.7	1155.2	-2.4	-0.2	2.1	0.2
MINING	3.9	4.0	4.1	-0.1	-2.5	-0.2	-4.9
CONSTRUCTION	55.1	55.3	53.5	-0.2	-0.4	1.6	3.0
MANUFACTURING	225.5	225.7	233.1	-0.2	-0.1	-7.6	-3.3
DURABLE GOODS	116.3	116.4	121.6	-0.1	-0.1	-5.3	-4.4
NONDURABLE GOODS	109.2	109.3	111.5	-0.1	-0.1	-2.3	-2.1
FOOD & KIND. PRODS.	57.0	57.1	57.3	-0.1	-0.2	-0.3	-0.5
TRANSP. & PUB. UTILS.	77.3	77.0	73.8	0.3	0.4	3.5	4.7
TRADE	269.1	269.0	268.2	0.1	0.0	0.9	0.3
FIN./INS./REAL EST.	47.2	47.0	46.4	0.2	0.4	0.8	1.7
SERVICES	277.1	279.6	276.8	-2.5	-0.9	0.3	0.1
GOVERNMENT	202.1	202.1	199.3	0.0	0.0	2.8	1.4

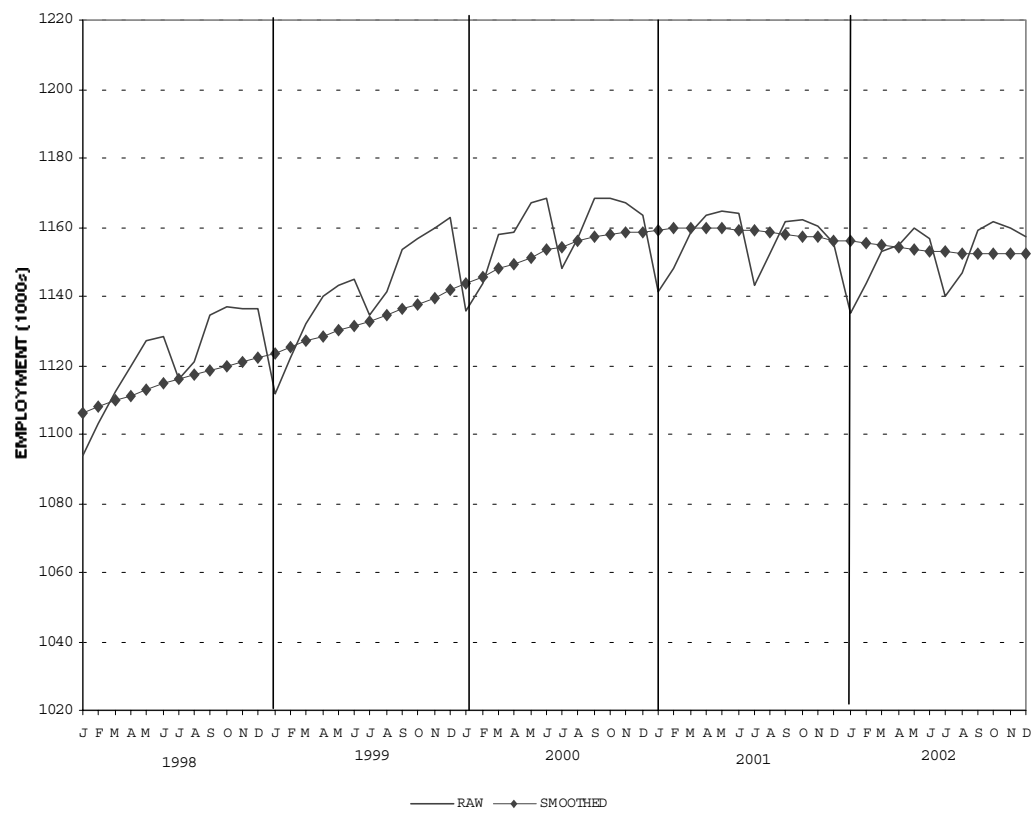
SOURCE: Arkansas Employment Security Department.

The graphs on the next page place Arkansas' employment growth patterns in a somewhat longer historical context. The upper graph shows the absolute level of nonagricultural employment in the state. The "raw" or unadjusted data show the seasonality of employment in the state, with sharp drops in employment occurring in January and July, while the "smoothed" data (12-month moving averages) reveal the underlying trends in employment.

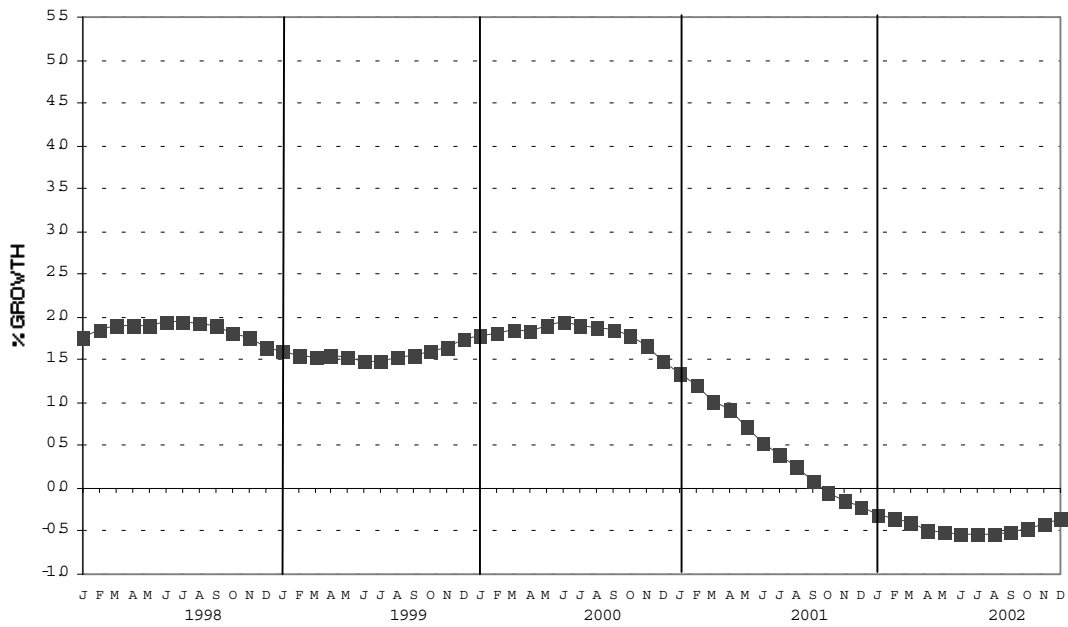
Underlying growth trends are portrayed even more clearly in the lower graph, which gives the percentage increase in employment over a 12-month period, based on the smoothed data shown above. After accounting for some seasonal factors, the annualized rate of employment growth in the state was -0.3 percent in December 2002.

The data in these two graphs reflect the benchmark revisions made by ESD and BLS in January 2002 to the employment data for 2000 and 2001.

ARKANSAS' NONAGRICULTURAL EMPLOYMENT



ARKANSAS' 12-MONTH EMPLOYMENT GROWTH
(BASED ON SMOOTHED DATA)



The table below places Arkansas' employment growth in comparative national perspective. For the 12-month period ending in November 2002, Arkansas' employment rate of decline of 0.5 percent ranked 23rd in the nation. Over the same 12-month period, employment in the nation as a whole fell by 0.9 percent.

TOTAL NONAGRICULTURAL JOB GROWTH FOR THE U.S. AND STATES:
12 MONTHS ENDING NOVEMBER 2002 VS. 12 MONTHS ENDING NOVEMBER 2001

State	Rank Nov. 2002	Percent Change	Rank Nov. 2001	Thousands of Jobs		
				Job Growth	Nov. 2002	Nov. 2001
Nevada	1	1.3	1	13.6	1,067.2	1,053.5
Alaska	2	1.2	3	3.4	292.9	289.5
Wyoming	3	1.1	2	2.5	247.7	245.2
Montana	4	1.0	14	3.9	395.3	391.3
New Mexico	5	0.7	7	5.2	761.6	756.3
Oklahoma	6	0.7	8	10.0	1,518.4	1,508.3
Kentucky	7	0.6	37	10.5	1,828.5	1,818.0
Kansas	8	0.5	18	6.9	1,362.7	1,355.7
Rhode Island	9	0.5	22	2.3	481.5	479.1
North Dakota	10	0.2	23	0.5	330.3	329.7
Maine	11	0.2	11	0.9	610.2	609.3
Florida	12	0.1	5	5.5	7,205.3	7,199.8
Nebraska	13	0.0	31	0.2	909.8	909.6
Wisconsin	14	0.0	36	0.7	2,827.9	2,827.2
Louisiana	15	0.0	24	0.2	1,930.3	1,930.0
Tennessee	16	-0.3	42	-7.1	2,706.0	2,713.1
South Dakota	17	-0.3	27	-1.0	378.2	379.3
New Hampshire	18	-0.3	13	-1.8	625.7	627.5
California	19	-0.3	6	-43.1	14,660.0	14,703.1
New Jersey	20	-0.3	17	-13.8	4,010.8	4,024.7
Mississippi	21	-0.4	49	-4.7	1,130.8	1,135.6
Idaho	22	-0.5	4	-2.5	566.6	569.1
Arkansas	23	-0.5	35	-5.1	1,151.7	1,156.9
South Carolina	24	-0.5	47	-8.5	1,829.2	1,837.8
Iowa	25	-0.5	43	-7.6	1,462.3	1,470.0
North Carolina	26	-0.6	44	-21.3	3,883.1	3,904.5
Maryland	27	-0.6	15	-14.0	2,456.8	2,470.8
Connecticut	28	-0.6	39	-10.6	1,673.8	1,684.4
West Virginia	29	-0.7	32	-5.2	730.5	735.7
Vermont	30	-0.8	25	-2.3	296.8	299.2
Texas	31	-0.9	12	-84.4	9,437.6	9,522.0
Arizona	32	-0.9	9	-20.5	2,247.5	2,268.0
UNITED STATES		-0.9		1,226.5	130,816.7	132,043.3
Delaware	33	-1.0	33	-3.9	415.6	419.6
Ohio	34	-1.0	46	-53.0	5,520.1	5,573.1
Hawaii	35	-1.0	19	-5.3	549.5	554.8
Alabama	36	-1.0	45	-18.6	1,897.1	1,915.8
Minnesota	37	-1.0	30	-26.2	2,652.2	2,678.4
Virginia	38	-1.0	21	-35.0	3,498.9	3,534.0
Pennsylvania	39	-1.0	28	-56.6	5,649.2	5,705.8
Michigan	40	-1.0	48	-46.2	4,549.5	4,595.7
New York	41	-1.1	29	-96.8	8,548.4	8,645.2
Oregon	42	-1.2	38	-18.9	1,580.6	1,599.6
Utah	43	-1.3	16	-14.0	1,069.3	1,083.3
Indiana	44	-1.3	50	-38.5	2,905.3	2,943.9
Illinois	45	-1.4	40	-84.4	5,930.0	6,014.5
Massachusetts	46	-1.5	20	-49.4	3,291.0	3,340.4
Missouri	47	-1.8	41	-50.2	2,685.9	2,736.1
Colorado	48	-2.0	10	-43.9	2,191.8	2,235.7
Washington	49	-2.1	34	-57.0	2,647.4	2,704.4
Georgia	50	-2.2	26	-88.1	3,872.7	3,960.9

SOURCE: Arizona State University's Economic Outlook Center and the U.S. Bureau of Labor Statistics

INITIAL FORECAST

FISCAL YEAR 2003 - OFFICIAL FORECAST

STATE GENERAL REVENUE

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
General Education	\$1,654,121,514	\$28,878,556	\$6,500,000	\$8,266,000	\$1,697,766,070	\$1,588,868,206
Workforce Education	21,568,311	1,184	2,000,000	1,346,556	24,916,051	20,717,464
TOTAL - PUBLIC SCHOOL FUND	\$1,675,689,825	\$28,879,740	\$8,500,000	\$9,612,556	\$1,722,682,121	\$1,609,585,671
GENERAL EDUCATION FUND						
Dept. of Education	\$12,563,430	\$267,899		\$1,085,859	\$13,917,188	\$12,067,816
Educational Television	4,154,371	79,156		150,000	4,383,527	3,990,486
School for the Blind	4,775,910	92,685		100,000	4,968,595	4,587,506
School for the Deaf	8,075,576	160,225		200,000	8,435,801	7,757,003
State Library	2,962,429	45,011		106,000	3,113,440	2,845,564
Dept. of Workforce Education	2,929,070	79,040		201,140	3,209,250	2,813,521
Rehabilitation Services	12,056,201	138,630			12,194,831	11,580,597
Subtotal - General Education	\$47,516,987	\$862,646	\$0	\$1,842,999	\$50,222,632	\$45,642,493
Technical Institutes:						
Arkansas Valley TI	\$2,200,925	\$51,488		\$115,000	\$2,367,413	\$2,114,101
CottonBoll TI	2,199,163	49,355		114,000	2,362,518	2,112,408
Crowley's Ridge TI	2,302,081	55,183		120,000	2,477,264	2,211,266
Delta TI	2,153,060	52,680		100,000	2,305,740	2,068,124
Foothills TI	2,101,386	63,250		110,000	2,274,636	2,018,489
Forest Echoes TI	1,053,276	28,179		55,000	1,136,455	1,011,725
Great Rivers TI	1,315,198	36,976		100,000	1,452,174	1,263,315
Northwest TI	2,668,175	68,401		130,000	2,866,576	2,562,918
Quapaw TI	2,033,977	57,643		170,000	2,261,620	1,953,739
Riverside VTS	2,040,065	48,207		100,000	2,188,272	1,959,587
Subtotal - Technical Inst.'s	\$20,067,306	\$511,362	\$0	\$1,114,000	\$21,692,668	\$19,275,672
TOTAL GENERAL ED. FUND	\$67,584,293	\$1,374,008	\$0	\$2,956,999	\$71,915,300	\$64,918,166
HUMAN SERVICES FUND						
DHS-Administration	\$14,351,869	\$251,909		\$3,560,921	\$18,164,699	\$13,785,703
Aging and Adult Services	11,038,014			609,499	11,647,513	10,602,576
Children & Family Services	39,633,172			1,218,289	40,851,461	38,069,686
Child Care/Early Childhood Ed.	549,349	10,791		26,093	586,233	527,678
Youth Services	42,781,686			1,992,906	44,774,592	41,093,995
Devel. Disab. Services	43,127,587		767,399	1,219,570	45,114,556	41,426,250
Medical Services	4,761,982	43,237		223,842	5,029,061	4,574,127
DHS-Grants	409,307,854	29,461,202	12,232,601		451,001,657	393,161,101
Mental Health Services	53,068,151			2,577,787	55,645,938	50,974,670
Services for the Blind	1,843,145	13,698		86,498	1,943,341	1,770,435
County Operations	40,905,591	101,492		2,364,195	43,371,278	39,291,910
Indigent Care - UAMS					0	0
TOTAL HUMAN SERVICES FUND	\$661,368,400	\$29,882,329	\$13,000,000	\$13,879,600	\$718,130,329	\$635,278,131

INITIAL FORECAST

FISCAL YEAR 2003 - OFFICIAL FORECAST

STATE GENERAL REVENUE

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
STATE GENERAL GOV'T FUND						
Dept. of Ark. Heritage	\$4,514,407	\$80,666		\$678,289	\$5,273,362	\$4,336,319
Dept. of Labor	2,483,300	53,386		133,510	2,670,196	2,385,336
Dept. of Higher Education	2,856,540	56,747		262,394	3,175,681	2,743,853
Dept. of H.E.-Grants	34,193,511	3,825,000			38,018,511	32,844,614
Dept. of Economic Development	9,926,681	107,462		485,294	10,519,437	9,535,084
Dept. of Correction	190,345,887	2,754,939	6,800,000		199,900,826	182,836,947
Dept. of Community Correction	31,100,647	599,306	800,000		32,499,953	29,873,760
Livestock & Poultry Commission	3,614,973	94,162		175,000	3,884,135	3,472,366
State Military Department	8,273,134	167,107		330,000	8,770,241	7,946,768
Dept. of Parks & Tourism	20,164,481	452,961		775,556	21,392,998	19,369,014
Dept. of Environmental Quality	3,715,018	82,832		150,000	3,947,850	3,568,465
State General Services	38,110,970	178,173	1,032,350	2,514,687	41,836,180	36,607,533
TOTAL STATE GENERAL GOV'T	\$349,299,549	\$8,452,741	\$8,632,350	\$5,504,730	\$371,889,370	\$335,520,059
OTHER FUNDS						
County Aid	\$20,552,313			\$1,000,000	\$21,552,313	\$19,741,546
Crime Information Center	3,533,345	54,347		150,000	3,737,692	3,393,958
EMS Enhancement Revolving					0	0
Forestry Commission	5,989,036	259,937	200,000	128,893	6,577,866	5,752,775
Merit Adjustment Fund				2,860,000	2,860,000	0
Motor Vehicle Acquisition	1,000,000			1,000,000	2,000,000	960,551
Municipal Aid	28,636,193			1,500,000	30,136,193	27,506,526
Dept. of Health	51,724,338	1,131,866	1,500,000	1,734,562	56,090,766	49,683,869
State Central Services			5,000,000		5,000,000	0
State Police	42,968,949	1,376,401	1,000,000	1,333,966	46,679,316	41,273,870
Plant Board Fund	2,330,249	45,167		100,000	2,475,416	2,238,323
Breast Cancer Research					0	0
Breast Cancer Control					0	0
TOTAL OTHER FUNDS	\$156,734,423	\$2,867,718	\$7,700,000	\$9,807,421	\$177,109,562	\$150,551,419

INITIAL FORECAST

FISCAL YEAR 2003 - OFFICIAL FORECAST

STATE GENERAL REVENUE

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
INST'S OF HIGHER EDUCATION						
Four Year Institutions:						
Arkansas State University	\$46,561,444	\$1,096,148			\$47,657,592	\$44,724,645
Arkansas Tech University	19,787,029	364,764			20,151,793	19,006,452
Henderson State University	15,948,951	455,836			16,404,787	15,319,782
Southern Arkansas University	12,476,586	213,044			12,689,630	11,984,398
UA-Fayetteville	94,629,965	1,980,079			96,610,044	90,896,915
UA - Archeological Survey	1,741,026	37,885			1,778,911	1,672,344
UA - Agriculture	50,333,331	1,292,838			51,626,169	48,347,735
UA - Criminal Justice Institute	1,563,179	423,440		1,186,618	3,173,237	1,501,513
UA-Little Rock	44,343,262	5,303,565			49,646,827	42,593,968
UA-Medical Sciences	65,128,479	1,321,212			66,449,691	62,559,231
UAMS - AHEC	2,300,000				2,300,000	2,209,267
UAMS - Indigent Care	4,934,708				4,934,708	4,740,039
UA-Monticello	10,393,863	657,084			11,050,947	9,983,836
UA-Pine Bluff	18,738,278	1,095,880			19,834,158	17,999,073
University of Central Arkansas	39,071,903	713,526			39,785,429	37,530,559
Sub-Total Four Year	\$427,952,004	\$14,955,301	\$0	\$1,186,618	\$444,093,923	\$411,069,760
Two Year Institutions:						
Arkansas State University - Beebe	\$7,772,635	\$527,787			\$8,300,422	7,466,013
Arkansas State Univ.-Mountain Home	2,511,156	63,071			2,574,227	2,412,094
Arkansas State University - Newport	2,069,280	49,725			2,119,005	1,987,649
East Arkansas Cmty. College	5,299,408	80,164			5,379,572	5,090,352
Garland County Cmty. College	5,676,826	120,474			5,797,300	5,452,881
Mid-South Cmty. College	2,691,103	58,226			2,749,329	2,584,942
Mississippi County Cmty. College	5,561,920	117,549			5,679,469	5,342,508
North Arkansas College	7,065,721	322,485			7,388,206	6,786,986
NorthWest Arkansas Cmty. College	6,072,903	202,192			6,275,095	5,833,334
Phillips Cmty. College of the UA	8,100,972	113,253			8,214,225	7,781,397
Rich Mountain Cmty. College	2,764,812	43,327			2,808,139	2,655,743
Southern Ark. University - Tech	6,215,814	86,766			6,302,580	5,970,607
South Arkansas Cmty. College	5,335,720	75,319			5,411,039	5,125,232
U of A - Cmty. College at Batesville	2,914,706	60,694			2,975,400	2,799,724
U of A - Cmty. College at Hope	3,674,161	85,008			3,759,169	3,529,219
Westark	15,468,639	324,952			15,793,591	14,858,418
Sub-Total Two Year	\$89,195,776	\$2,330,992	\$0	\$0	\$91,526,768	\$85,677,099

INITIAL FORECAST

FISCAL YEAR 2003 - OFFICIAL FORECAST

STATE GENERAL REVENUE

FISCAL YEAR 2003

FUND ACCOUNTS	"A"	"B"	"B-1"	"C"	TOTAL ALLOCATIONS	FORECAST 96.06% OF "A"
Technical Colleges:						
Black River	\$4,679,606	\$83,089			\$4,762,695	4,495,001
Cossatot	2,382,000	48,811			2,430,811	2,288,033
Ouachita	2,540,172	54,296			2,594,468	2,439,965
Ozarka	2,177,727	51,919			2,229,646	2,091,818
Petit Jean	3,437,153	90,676			3,527,829	3,301,561
Pulaski	6,595,166	265,720			6,860,886	6,334,994
Southeast Arkansas College	4,110,479	116,087			4,226,566	3,948,325
Sub-Total Technical Colleges	\$25,922,303	\$710,598	\$0	\$0	\$26,632,901	\$24,899,696
TOTAL INST'S OF HIGHER ED.	\$543,070,083	\$17,996,891	\$0	\$1,186,618	\$562,253,592	\$521,646,555
GRAND TOTAL	\$3,453,746,573	\$89,453,427	\$37,832,350	\$42,947,924	\$3,623,980,274	\$3,317,500,000

Prepared by DFA-Office of Budget4/18/02

EDUCATIONAL EXCELLENCE TRUST FUND
OFFICIAL FORECAST
FISCAL YEAR 2003
Revised August 14, 2002

FUND ACCOUNT	FY03 ORIGINAL FORECAST	FY03 REVISED FORECAST	DIFFERENCE
DEPT. OF EDUCATION PUBLIC SCHOOL FUND:	<u>\$161,726,687</u>	<u>\$159,701,677</u>	<u>(\$2,025,010)</u>
WORKFORCE EDUCATION PUBLIC SCHOOL FUND:	<u>\$9,505,778</u>	<u>\$9,417,772</u>	<u>(\$88,006)</u>
DEPARTMENT OF EDUCATION FUND ACCOUNT:	<u>\$761,916</u>	<u>\$754,861</u>	<u>(\$7,055)</u>
DEPARTMENT OF WORKFORCE EDUCATION FUND:	<u>\$2,852,870</u>	<u>\$2,826,457</u>	<u>(\$26,413)</u>
HIGHER EDUCATION GRANTS FUND ACCT:	<u>\$10,486,213</u>	<u>\$10,389,130</u>	<u>(\$97,083)</u>
INSTITUTIONS OF HIGHER EDUCATION:			
Four Year Institutions:			
Arkansas State University	\$4,791,520	\$4,747,159	(\$44,361)
Arkansas Tech University	1,606,150	1,591,280	(14,870)
Henderson State University	1,661,486	1,646,104	(15,382)
Southern Arkansas University	982,307	973,213	(9,094)
UA - Fayetteville	7,485,902	7,416,558	(69,344)
UAF - Archeological Survey	103,442	102,484	(958)
UAF - Agricultural Experiment Station	2,389,877	2,367,739	(22,138)
UAF - Cooperative Extension Service	1,910,712	1,893,013	(17,699)
UA - Little Rock	4,219,356	4,180,292	(39,064)
UA Medical Center	7,264,903	7,197,643	(67,260)
UAMS - Indigent Care	180,779	179,105	(1,674)
UA - Monticello	847,762	839,913	(7,849)
UA - Pine Bluff	1,471,697	1,458,072	(13,625)
University of Central Arkansas	3,656,633	3,622,779	(33,854)
Two Year Institutions:			
ASU - Beebe	1,143,168	1,132,584	(10,584)
East Arkansas Comm College	598,248	592,710	(5,538)
Garland County Comm College	894,764	886,480	(8,284)
Mississippi County Comm College	573,070	567,764	(5,306)
North Arkansas College	353,318	350,047	(3,271)
Northwest Ark Community College	790,741	783,420	(7,321)
Phillips Community College - U of A	582,612	577,219	(5,393)
Rich Mountain Comm College	157,916	156,454	(1,462)
SAU - Tech	256,470	254,096	(2,374)
South Arkansas Comm College	409,159	405,371	(3,788)
UA - Fort Smith (Westark)	<u>2,434,544</u>	<u>2,412,005</u>	<u>(22,539)</u>
TOTAL INSTITUTIONS OF HIGHER EDUCATION	\$ 46,766,536	\$ 46,333,501	\$ (433,035)
GRAND TOTAL	<u>\$ 232,100,000</u>	<u>\$229,423,398</u>	<u>\$ (2,676,602)</u>

August 14, 2002

FINANCIAL INFORMATION SOURCES STATE OF ARKANSAS

FINANCIAL ORGANIZATIONS AND MANAGEMENT

The following state organizations share responsibility for statewide financial management: The General Assembly, the Office of the Budget and the Office of Accounting of the Department of Finance and Administration, the Governor, the Treasurer, and the Division of Legislative Audit.

The General Assembly has responsibility for legislating the level of state services and appropriating the funds for operations of state agencies. The Office of Budget prepares the Executive Budget with the advice and consent of the Governor. The Office of Budget also monitors the level and type of state expenditures. The Accounting Division has the responsibility for maintaining fund and appropriation control and, through the Pre-audit Section and in conjunction with the State Treasurer, has responsibility for the disbursement process. The Treasurer has responsibility for disbursement, bank reconciliation, and investment of state funds (with the advice of the State Board of Finance). The Division of Legislative Audit has responsibility for performing financial post-audits of state agencies.

BUDGET AND APPROPRIATION PROCESS

State agencies submit biennial budget requests to the Office of Budget of the Department of Finance and Administration. The Office of Budget prepares the Executive Budget based on estimates of general revenues as prepared by the Office of Economic Analysis and Tax Research of DFA. The Executive Budget contains the budget amount recommended by the Governor.

The General Assembly appropriates money after consideration of both the Executive Budget and the revenue estimate. The appropriation process begins in the joint House-Senate Budget Committee and then proceeds through both houses of the General Assembly. Legislative appropriations are subject to the Governor's approval or veto, including the authority of line-item veto.

The General Assembly also must amend the Revenue Stabilization Act to provide for an allotment process of funding appropriations in order to comply with state law prohibiting deficit spending. The Governor may restrict spending below the level of appropriations.

REVENUE STABILIZATION LAW

Act 750 of 1973, as amended, established the State's Revenue Stabilization Law. This law and related legislation govern the administration and distribution of State revenues.

Pursuant to the Stabilization Law, all general and special revenues are deposited into the General Revenue Allotment Account and the Special Revenue Allotment Account according to the type of revenue being deposited. From the General Revenues Fund, 3% of all general revenues are first

distributed to the Constitutional Officers Fund and the Central Services Fund to provide support for the States' elected officials and their staffs and the Department of Finance and Administration.

The balance is then distributed to separate funds proportionately as established by the Stabilization Law. From the Special Revenue Fund, 3% of all special revenues collected by DFA and 1.5% of all special revenues collected by other agencies are first distributed to provide support for the State's elected officials, their staffs, and DFA. The balance is then distributed to the funds for which the special revenues were collected.

Special revenues, which are primarily user taxes, are generally earmarked for the program or agency providing the related services.

General revenues are transformed into funds established and maintained by the Treasurer for major programs and agencies of the state in accordance with fund priorities established by the General Assembly.

According to the Stabilization Law, the General Assembly establishes three levels of priority for general revenue spending, levels "A", "B", and "C". Successive levels of appropriations are funded only in the event sufficient revenues have been generated to fully fund any prior level. Accordingly, appropriations made to programs and agencies are only maximum authorizations to spend. Actual expenditures are limited to the lesser of (1) moneys flowing into a program or agencies' fund maintained by the Treasurer or (2) the maximum appropriation by the General Assembly.

Because state revenues are not collected throughout the year in a pattern consistent with program and agency expenditures, a budget revolving fund, which receives interest earnings for State fund investments, has been established and is utilized to assure proper cash flow during any period.

For more detailed information, please see:

- State of Arkansas, Biennial Budget, prepared by the Office of Budget, DFA.
- Annual Financial Report, prepared by the Office of Accounting, DFA.
- State of Arkansas, Biennial Report, prepared by the Treasurer of the State.
- Arkansas Legislative Tax Handbook, prepared by the Arkansas Legislative Council.
- Selected Statistical Financial Data for Arkansas (referred to as the A & B Books), prepared by the Arkansas Legislative Council.

STATE OF ARKANSAS
Special Revenues Monthly and Year to Date Collections
For Month Ending December 31, 2002

Taxes, Fees, Licenses & Permits	Current Month				Year to Date			
	December 2001	December 2002	Increase/Decrease Amount	Percent	December 2001	December 2002	Increase/Decrease Amount	Percent
Conservation Tax Act Act 156/97	3,966,702.11	4,027,997.63	61,295.52	1.55%	23,709,406.17	24,182,294.45	472,888.28	1.99%
Corporate Income Tax Est. Act 1052/91	1,143,188.66	999,398.97	(143,789.69)	-12.58%	6,848,561.81	5,996,393.82	(852,167.99)	-12.44%
Estate Tax Act 590/93	687,162.70	1,649,970.21	962,807.51	140.11%	5,760,506.85	36,025,068.68	30,264,561.83	525.38%
Motor Fuel Tax Act 445/73	1,624,839.93	1,642,985.07	18,145.14	1.12%	10,306,282.16	10,303,125.71	(3,156.45)	-0.03%
Gasoline Tax	32,547,844.19	33,079,519.35	531,675.16	1.63%	210,085,714.57	204,557,521.63	(5,528,192.94)	-2.63%
Real Estate Transfer Tax Act 729/87	1,215,162.13	1,391,131.96	175,969.83	14.48%	7,854,066.58	8,560,934.04	706,867.46	9.00%
Motor Fuel Tax Act 437/79	1,626,102.93	1,642,985.07	16,882.14	1.04%	6,718,083.36	10,303,125.71	3,585,042.35	53.36%
Rice Assessment Act 725/85	439,877.41	328,094.91	(111,782.50)	-25.41%	3,574,392.21	3,825,628.03	251,235.82	7.03%
Auto License Fees	4,212,807.39	5,838,738.46	1,625,931.07	38.59%	39,917,985.53	53,661,703.90	13,743,718.37	34.43%
Pollution control Permit Fees Act 817/83	1,431,003.00	1,602,152.80	171,149.80	11.96%	6,580,922.59	7,339,790.00	758,867.41	11.53%
Waste Mgmt. Recycle Act 849/89	305,021.41	228,988.43	(76,032.98)	-24.93%	3,287,528.57	3,095,336.06	(192,192.51)	-5.85%
Utility Assessment	0.00	0.00	0.00	0.00%	8,315,298.00	7,123,873.00	(1,191,425.00)	-14.33%
Insurance Dept. Fees Act 652/93	1,740,055.24	182,423.25	(1,557,631.99)	-89.52%	6,964,714.07	5,802,152.05	(1,162,562.02)	-16.69%
Game Protection Fees	1,947,466.24	2,744,034.77	796,568.53	40.90%	13,835,928.06	13,670,761.95	(165,166.11)	-1.19%
Overload Permits	554,460.15	453,219.35	(101,240.80)	-18.26%	3,630,112.17	3,227,156.12	(402,956.05)	-11.10%
Property Tax Relief	15,696,293.57	15,970,897.49	274,603.92	1.75%	93,771,220.06	95,732,827.89	1,961,607.83	2.09%
All other taxes, fees, permits & licenses	10,728,018.03	12,238,445.00	1,510,426.97	14.08%	52,563,292.16	62,488,281.59	9,924,989.43	18.88%
TOTAL	79,866,005.09	84,020,982.72	4,154,977.63	5.20%	503,724,014.92	555,895,974.63	52,171,959.71	10.36%

**DEPARTMENT OF FINANCE & ADMINISTRATION
DIVISION OF REVENUE**

P.O. Box 1272
Little Rock, AR 72203
(501) 682-7000

Commissioner of Revenue.....Tim Leathers
Assistant Commissioner for Operations & AdministrationPreston Means
Assistant Commissioner for Policy & Legal.....John Theis

Taxpayer Assistance Office 682-7751
Office of Motor Vehicle..... 682-4630
Office of Excise Tax Administration..... 682-7200
Office of Income Tax Administration..... 682-1130

Arkansas State Revenue Tax Quarterly, a quarterly newsletter, is published by the Revenue Division. For more information, contact the Taxpayer Assistance Office.

The Department of Finance and Administration has a home page on the World Wide Web. The page contains several tax forms and useful information. The address is <http://www.accessarkansas.org/dfa/>. In addition, the Office of Economic Analysis and Tax Research posts this publication, *Arkansas Fiscal Notes*, on the DFA web site. The address is http://www.accessarkansas.org/dfa/revenues_budgets.html.

**STATEMENT OF GROSS TAX COLLECTIONS
GENERAL, SPECIAL, AND TRUST REVENUES**

The statement of gross tax collections on the following pages reports only general and special revenues collected by the Revenue Division of the Department of Finance and Administration. Insurance premium taxes are collected by the Insurance Department and the corporate franchise tax by the Office of Secretary of State. The revenues from these two taxes are reported in Tables A and B. In addition to these two offices, general revenues are also collected by other offices, agencies, and commissions, such as the State Auditor, State Securities Board, et al., and are summarized under "Miscellaneous" collections in Tables A and B. A detailed listing of these revenue sources can be found in the *Arkansas Revenue Report* published monthly by the Bureau of Legislative Research, Office of Tax and Economic Policy (tel # 682-1937).

Additionally, the "Gross Receipts" reported on this statement includes sales tax, use tax, beverage excise tax, 10% mixed drink tax, and the gross receipts tax permit.

December 2002

**DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS**

Page 1 of 7
C1L003
(ON FISCAL YEAR BASIS)

Special Revenues		Dec 2002	Dec 2001	6 Months 2002	6 Months 2001
101	Auto License Fees:	5,840,133.34	4,213,202.15	53,705,526.51	39,992,203.16
102	Auto Title Transfer	253,268.00	239,043.68	1,795,298.36	1,752,303.35
103	Auto Intransit Fees:	6.00	18.00	87.00	129.00
104	Drive Out License:	1,386.00	1,352.00	8,018.00	8,820.00
105	Mtr.Vehicle Trip Permits:	28,083.00	28,017.00	151,599.99	128,931.00
106	Transfer Building Fund:	.00	.00	.00	.00
107	Drivers Test Fee 782 Of 91:	41,051.50	41,950.00	339,818.09	320,272.33
108	Commerical Driver License Fund Act 241:	48,305.05	53,425.01	311,732.47	348,398.13
109	Boat Registration:	30,612.95	21,872.15	379,421.95	241,378.14
110	Cotton Trailer Reg. Act 68 Of 92:	204.00	287.00	36,628.00	31,843.00
111	Commerical Driver License Test Act 241/198:	24,191.52	30,073.18	202,453.64	252,635.59
112	Commerical Driver License Test Act 241/1989:	119,665.00	114,966.19	713,055.16	674,830.67
113	Special Driver Fees:	134,688.00	124,137.12	867,721.27	845,771.34
114	Driver Search Fees:	632,291.00	608,056.81	3,763,486.84	3,594,026.33
115	DWI Act 918/1983 (Hwy. Safe):	.00	.00	.00	1,076.71
116	DWI Act 918/1983 (Alc & Drug):	.00	.00	.00	215.85
117	Add Court Cost (Hwy Safe 1/2):	.00	.00	.00	42.38
118	Add Court Cost (Alc Drug 1/2):	.00	.00	.00	42.37
119	Add'l Court Cost Act #185:	.00	.00	.00	682.88
120	Crime Victims Reparation:	.00	.00	.00	2,095.87
121	Motor Fuel Tax:	32,545,286.40	32,127,961.33	201,955,057.19	201,099,104.57
122	Motor Fuel Act #445:	1,642,985.07	1,624,839.93	10,303,125.71	10,306,282.16
123	Motor Fuel Act #437:	1,642,985.07	1,624,839.93	10,303,125.71	10,306,282.16
124	Public School Act 210/39	.00	.00	30,000.00	30,000.00
125	Severance Tax 1/4:	184,409.21	113,216.66	1,105,728.90	990,399.81
126	Severance Act #310:	3,091.70	2,871.88	18,370.54	18,581.80
127	Severance Act #759 of 1979:	5,169.66	1,754.92	32,119.08	25,740.28
128	Timber Severance:	344,756.29	312,391.90	2,218,221.52	2,132,847.46
129	Add'l Severance/Coal Act #560:	.00	.00	.00	.00
130	Add'l Severance Act #761:	111,244.18	119,249.04	781,160.30	795,105.81
131	Add'l Severance/Brine Act #874:	11,631.76	3,948.56	72,267.95	57,914.24
132	SoyBean State Act #259:	339,954.01	186,631.55	607,809.45	461,057.44

December 2002

**DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS**

Page 2 of 7
C1L003
(ON FISCAL YEAR BASIS)

Special Revenues	Dec 2002	Dec 2001	6 Months 2002	6 Months 2001
133 Wheat Promotion:	621.07	818.20	313,100.91	397,854.67
134 Rice Promotion:	328,094.91	439,877.41	3,825,628.03	3,574,392.21
135 Real Estate Transfer Act #754:	.00	.00	60,000.00	60,000.00
136 Real Estate Transfer Act #754:	69,555.42	60,757.18	368,048.45	332,697.43
137 Real Estate Transfer Act #729-80%	1,112,905.56	972,129.69	6,848,879.40	6,283,253.24
138 Real Estate Transfer Act #729-10%:	139,113.20	121,516.22	856,109.82	785,406.67
139 Real Estate Transfer Act 729-10%:	139,113.20	121,516.22	856,109.82	785,406.67
140 Beef Council State:	46,968.50	31,766.00	234,707.12	257,331.46
141 Wine Tax Act #906:	318.67	331.68	4,785.35	3,261.84
142 Misc Non Revenue	.00	59,656.09	.00	111,425.26
143 Sales Tax Aviation Act #449:	209,834.48	213,887.76	1,685,012.96	1,621,662.82
144 Rent Car Search Fee Act #1359/99:	3.00	.00	17.00	.00
145 Dog Racing Act #382:	.00	8,748.52	4,457.97	25,056.55
146 ABC Application Fees Act #675:	600.00	990.00	5,160.00	3,277.50
147 DWI Reinstatement Act 802/95:	13,212.50	10,150.00	83,764.35	70,057.40
148 DL Vision Test:	40,482.00	36,822.00	254,408.00	247,501.00
149 Beef Council-National:	46,968.50	31,766.00	234,707.12	257,331.46
150 Brucellosis Control Fund:	66,298.00	50,379.00	369,110.00	425,627.49
151 DWI Additional Act 631/316 Of 91:	.00	.00	.00	292.03
152 Waste Tire Fee #749 Of 91:	346,104.50	291,763.75	2,012,714.78	2,083,309.42
153 Swine Testing #1105 Of 91:	58.00	55.00	342.00	404.28
154 DWI Reinstatement #802/95:	62,287.50	47,850.00	372,967.65	330,270.60
155 Rural Health Act 210/39	2,695.00	7,420.00	144,256.00	281,085.00
156 Severance Tax #761 Of 83:	.00	.00	.00	.00
157 SoyBean Act #340/91-Nation:	339,953.94	186,631.50	607,809.13	461,057.08
158 Committed to Education	.00	.00	.00	13,700.00
159 Motor Fuel Interstate User:	534,232.95	448,717.26	3,008,314.16	2,229,174.04
160 Midsouth Community College 1488/01	7,975.64	.00	14,804.01	.00
161 Sales Tax Per Fees Act #620/93:	37,800.00	32,900.00	249,815.19	221,050.00
162 MV Validate Decal Act #974/97:	160,149.80	143,128.00	1,161,912.80	1,136,683.10
163 Liab Insurance Reinstatement #357/93:	1,060.00	1,200.00	6,490.00	8,300.00
164 ASP Ins Prem 1500/01	209,083.75	196,575.55	1,330,171.49	1,278,528.08

December 2002

**DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS**

Page 3 of 7
C1L003
(ON FISCAL YEAR BASIS)

Special Revenues	Dec 2002	Dec 2001	6 Months 2002	6 Months 2001
165 Econ. Dev. or AR Fund #590/93:	.00	.00	.00	.00
166 DUI Reinstatement Act #863/93:	.00	.00	.00	.00
167 DUI Court Cost Act #863/93:	.00	.00	.00	.00
168 Waste Tire Fee PCE Act #1292/97:	30,096.10	25,370.85	174,918.68	181,136.16
169 Catfish Promo Board Act #790/99:	16,083.25	8,087.01	99,587.48	88,713.39
170 Game Protect Fund Act #1566/99:	30,000.00	23,525.00	190,125.00	137,875.00
171 Property Tax Relief Act #1492/99:	15,970,897.49	15,696,293.57	95,732,827.89	93,771,220.06
172 Special Plate Fee 93 Session:	72,943.66	61,382.00	488,972.66	586,702.00
173 Installment Fee Act #1262/95:	.00	57.50	.00	57.50
174 Public School Sup Fund #916/95	.00	.00	.00	.00
175 Conervation Fund Act #156/97:	4,027,997.63	3,966,702.11	24,182,294.45	23,709,406.17
176 Avia Aeronautics Act #924/97:	32,150.60	21,367.39	1,211,567.74	415,713.01
177 Ar Corn/Sorghm Brd Act #271/97:	17,946.77	10,174.91	264,151.21	203,817.96
178 Administration Just Fund Act #788/97:	626,000.12	546,814.76	1,244,648.79	926,488.64
179 DIS Waste Tire Fee Act #1292/97:	14,473.52	12,369.67	113,731.57	102,661.67
180 Insurance Act #991/97:	.00	.00	15,150.00	.00
181 Aging & Adult Svcs Act 1698/01	63,969.04	65,958.13	433,365.58	355,051.27
182 DHS Grant Fund Act 1698/01	63,969.04	65,958.13	433,365.58	355,051.27
183 Breast Cancer Research 1698/01	62,645.54	64,593.47	424,399.29	347,705.39
184 Breast Cancer Control 1698/01	250,582.07	258,373.88	1,697,597.55	1,390,821.50
185 General Improve Fund 1681/01	1,649,970.21	687,162.70	36,025,068.68	5,760,506.85
186 Driver Confirmation Act 1810/01	.00	.00	.00	.00
187 AR School For Deaf Act 1556/01	.00	.00	.00	.00
188 AR School for Blind Act 1556/01	.00	.00	.00	.00
Total Special Revenues	\$ 70,830,613.84	\$ 66,625,650.10	\$ 477,347,209.29	\$ 426,037,338.97

December 2002

**DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS**

Page 4 of 7
C1L003
(ON FISCAL YEAR BASIS)

General Revenues		Dec 2002	Dec 2001	6 Months 2002	6 Months 2001
201	Cigarette Tax:	5,891,383.26	5,333,033.49	37,744,445.39	33,506,728.31
202	Tobacco Permits Act 1337/97:	11,445.00	4,236.50	140,603.34	69,856.50
203	Cigar & Tobacco Tax:	1,408,469.28	1,220,434.38	7,808,484.27	7,575,163.35
204	Cigarette Paper Tax:	34,151.47	33,385.06	193,980.09	244,755.27
205	Beer Tax:	913,281.87	860,883.85	6,302,562.72	6,252,356.35
206	Beer Enforcement Act #271:	30,434.86	28,688.72	210,031.15	208,358.04
207	Liquor Tax:	547,046.43	630,329.34	3,243,199.90	3,138,740.74
208	Liquor Enforcement:	18,379.34	20,329.76	105,604.68	103,860.54
209	Wine Tax \$.70 Per Gallon:	4,461.39	4,643.47	66,834.12	45,666.17
210	Wine Enforcement:	3,610.49	4,327.86	18,786.88	17,919.75
211	Wine Enforcement Act #271:	126.72	120.29	1,904.97	1,264.94
212	Wine Enforcement Act #424:	88.05	109.63	692.57	975.29
213	Imported Wine Tax:	145,024.82	182,326.33	780,859.27	739,580.02
214	Imported Wine Tax Act #424:	1,033.32	1,237.84	8,286.72	11,324.98
215	Beer Permits:	8,000.00	5,525.00	141,395.00	129,045.00
216	Liquor Permits:	18,215.00	10,345.00	247,935.00	211,985.00
217	Wine Permits:	1,160.00	565.00	9,130.00	7,542.50
218	Severance Tax 3/4:	553,227.15	339,649.93	3,317,185.36	2,971,198.66
219	Amusement Machine Tax:	.00	.00	.00	.00
220		.00	.00	.00	.00
221		.00	.00	.00	.00
222	Real Estate Transfer Act #754:	.00	.00	2,607,788.32	2,607,788.32
223	Aviation Use Act #924/97:	.00	.00	.00	.00
224		.00	.00	.00	.00
225	Gross Receipts:	145,452,973.69	143,835,821.81	871,617,520.73	857,927,065.04
226	Estate Tax:	.00	.00	.00	5,354,008.43
227	Income-Individual:	2,870,672.69	2,869,895.11	33,149,612.52	33,737,393.26
228		.00	.00	.00	.00
229	WithHolding Monthly:	124,764,326.81	120,118,152.29	703,222,200.82	676,003,258.35
230	Individual Est. Inc.:	17,446,832.90	11,396,783.32	72,584,615.52	69,381,071.58
231	Corporation Income:	2,068,139.95	1,800,702.30	19,896,336.30	14,034,528.80
232	Corporation Est. Inc.:	11,720,227.38	17,995,155.42	77,911,419.77	62,222,004.22

December 2002

**DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS**

Page 5 of 7
C1L003
(ON FISCAL YEAR BASIS)

General Revenues		Dec 2002	Dec 2001	6 Months 2002	6 Months 2001
233	Liquor Tax \$1.00/.50 Per Gallon:	36,564.48	17,662.03	171,435.64	175,859.02
234		.00	.00	.00	.00
235	Dog Racing:	117,518.10	153,094.15	951,425.29	1,125,622.54
236	Horse Racing:	64,637.26	59,512.66	743,715.50	787,433.92
237	ABC Fines:	17,600.00	33,100.00	143,400.00	173,400.00
238	ABC Transcripts:	249.20	31.60	611.70	514.00
239		.00	.00	.00	.00
240	Sunday Sales Permits:	755.00	165.00	8,175.00	11,965.00
241	DWI Reinstatement Act #802/95:	18,875.00	14,500.00	113,020.50	100,082.00
242		.00	.00	.00	.00
243		.00	.00	.00	.00
244		.00	.00	.00	.00
245		.00	.00	.00	.00
246		.00	.00	.00	.00
247	Vending Machine Act #928/1997:	1,954.00	8,146.00	619,933.34	1,237,204.00
248		.00	.00	.00	.00
249	DUI Reinstatement Act #863/93:	.00	.00	.00	.00
Total General Revenues		\$ 314,170,864.91	\$ 306,982,893.14	\$ 1,844,083,132.38	\$ 1,780,115,519.89

December 2002

**DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS**

Page 6 of 7
C1L003
(ON FISCAL YEAR BASIS)

Trust Revenues		Dec 2002	Dec 2001	6 Months 2002	6 Months 2001
301		.00	.00	.00	.00
302	Ad Volorem Trust:	142,424.30	189,665.61	4,601,616.68	4,162,219.25
303	Local Sales/Use Trust:	54,716,067.12	52,103,361.20	339,092,181.47	321,481,612.40
304	Craft Train Trust Fund Act #474/99:	26,136.49	27,036.35	221,845.60	218,097.96
305		.00	.00	.00	.00
306		.00	.00	.00	.00
307		.00	.00	.00	.00
308		.00	.00	.00	.00
309		.00	.00	.00	.00
310		.00	.00	.00	.00
311	Petro Environ Assurance Fee:	391,142.49	390,139.32	2,495,229.54	1,666,233.94
312		.00	.00	.00	.00
313	U.S. Olympic Comm. Act #471/93:	.00	.00	.00	.00
314	Soft Drink Tax Act #1073/93:	3,087,365.17	3,137,307.33	22,143,666.12	21,488,481.04
315	Disaster Relief Trust Act #1181/97:	.00	.00	.00	.00
316	ID Pen LC Sales/Use Act #928/97:	488.50	2,036.50	154,983.34	309,301.00
Total Trust Revenues		\$ 58,363,624.07	\$ 55,849,546.31	\$ 368,709,522.75	\$ 349,325,945.59
Sum Total Of All Revenue		\$443,365,102.82	\$ 429,458,089.55	\$ 2,690,139,864.42	\$ 2,555,478,804.45

December 2002

DEPARTMENT OF FINANCE & ADMINISTRATION
REVENUE DIVISION
LITTLE ROCK, ARKANSAS
STATEMENT OF GROSS TAX COLLECTIONS

Page 7 of 7
C1L003
(ON FISCAL YEAR BASIS)

Pull Out Revenue		Dec 2002	Dec 2001	6 Months 2002	6 Months 2001
401	Title	83,460.50	78,611.92	580,653.59	567,816.34
402	Lien:	27,847.50	28,848.50	191,800.47	198,191.00
403	Postal:	43,153.00	.00	300,236.75	209,282.78
404	ADFA	240,224.70	214,692.00	1,742,869.20	1,688,762.15
405	Transfers:	1,066.00	1,020.00	6,830.00	6,645.00
406	Lost/:	4,585.00	4,759.00	30,171.00	35,910.00
407	Driver License:	427,032.85	400,958.46	2,717,181.85	2,798,972.29
408	Oil & :	15,050.04	11,297.07	87,786.13	85,695.61
409	CDL #241	48,305.20	53,425.11	311,395.19	348,398.63
410	Search:	81.25	.00	244.25	132.00
411	Non DWI:	72,950.00	68,175.00	478,447.50	468,560.00
412	IRP Ref:	.00	.00	6,993.39	1,646.00
413	Plate of U of A Act 999/01	6,675.00	4,875.00	53,150.00	33,750.00
414	Plate ASU Act 999/01	550.00	475.00	4,000.00	3,150.00
415	Plate UALR Act 999/01	150.00	150.00	875.00	575.00
416	Plate UCA Act 999/01	225.00	150.00	1,550.00	950.00
417	Committed to Education 529/01	3,775.00	1,625.00	37,900.00	9,950.00
418	SAU College	175.00	.00	1,250.00	.00
Total Pull Out		\$ 975,306.04	\$ 869,062.06	\$ 6,553,334.32	\$ 6,458,386.80

**INDEX OF PREVIOUSLY PUBLISHED
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the United States, 1969-1991, May 1992

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January 1993

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Revenues, April 1993

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and 1985-1990, April 1993

Migration Into and Out From Arkansas, 1975-1980
and 1985-1990, May 1993

Cigarette Consumption in Arkansas: 1970-1993, May
1993

Health Insurance Coverage in Arkansas and the
United States, 1990, August 1993

Estimating the Impact on State Revenues of an
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Tax on Arkansas Households, 1989-1995, March 1994

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